UNITED STATES DEPARTMENT OF ENERGY WESTERN AREA POWER ADMINISTRATION

LOVELAND AREA PROJECTS COLORADO, KANSAS, NEBRASKA, WYOMING

SCHEDULE OF RATES FOR FIRM ELECTRIC SERVICE

Effective:

First Step: Beginning on the first day of the first full billing period on or after January 1, 2006, through December 31, 2006.

Second Step: Beginning on the first day of the first full billing period on or after January 1, 2007, through December 31, 2010.

Available:

Within the marketing area served by the Loveland Area Projects.

Applicable:

To the wholesale power customers for firm power service supplied through one meter at one point of delivery, or as otherwise established by contract.

Character:

Alternating current, 60 hertz, three phase, delivered and metered at the voltages and points established by contract.

Monthly Rates:

First Step:

DEMAND CHARGE: \$3.43 per kilowatt (kW) of billing demand.

ENERGY CHARGE: 13.06 mills per kilowatthour (kWh) of use.

BILLING DEMAND: Unless otherwise specified by contract, the billing demand will be the seasonal contract rate of delivery.

Second Step:

DEMAND CHARGE: \$3.59 per kilowatt (kW) of billing demand.

ENERGY CHARGE: 13.68 mills per kilowatthour (kWh) of use.

BILLING DEMAND: Unless otherwise specified by contract, the billing demand will be the seasonal contract rate of delivery.

Adjustments:

<u>For Transformer Losses:</u> If delivery is made at transmission voltage but metered on the low-voltage side of the substation, the meter readings will be increased to compensate for transformer losses as provided for in the contract.

For Power Factor: None. The customer will be required to maintain a power factor at all points of measurement between 95-percent lagging and 95-percent leading.